

RECEIVED
UTILITIES DIVISION

2019 MAR 29 AM 11:10

ANNUAL REPORT

Of

Company Name:

Appaloosa Water Company

PO Box 3150

Mailing Address:

Chino Valley AZ
86323

Docket No.:

W-03443A

For the Year Ended:

12/31/18

WATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: rdefafuente@azcc.gov, mail or deliver the completed Annual Report to:

Arizona Corporation Commission
Compliance Section - Utilities Division
1200 West Washington Street
Phoenix, Arizona 85007

Application Type:

Original Filing

Application Date:

3/22/2019

4-1-19

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Appaloosa Water Company
A Class Utility

1. For the Calendar Year Ended:

2. Address:
City: State: Zip Code:

3. Telephone Number:

4. Date of Original Organization of Utility:

5. Person to whom correspondence should be addressed concerning this report:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

6. On-Site Manager:

Name:
Telephone No. :
Address:
City: State: Zip Code:
Email:

7. Ownership:

8. Counties Served:

Appaloosa Water Company
Annual Report
Utility Plant in Service (Water)
12/31/18

Utility Plant in Service (Water)							
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Accumulated Depreciation	OCLD (OC less AD)
301	Organization	\$264	\$0	\$0	\$264	\$0	\$264
302	Franchises	2,309	0	0	2,309	0	2,309
303	Land and Land Rights	3,161	0	0	3,161	0	3,161
304	Structures and Improvements	67,051	0	0	67,051	24,562	42,489
305	Collecting & Improving Reservoirs	0	0	0	0	0	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0
307	Wells and Springs	238,519	0	0	238,519	87,372	151,147
308	Infiltration Galleries	0	0	0	0	0	0
309	Supply Mains	0	0	0	0	0	0
310	Power Generation Equipment	0	0	0	0	0	0
311	Pumping Equipment	94,131	0	0	94,131	94,131	0
320	Water Treatment Equipment	0	0	0	0	0	0
320.1	Water Treatment Plants	148,250	0	0	148,250	33,085	115,165
320.2	Solution Chemical Feeders	0	0	0	0	0	0
320.3	Point-of-Use Treatment Devices	25,635	0	0	25,635	17,072	8,563
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0
330.1	Storage Tanks	100,438	0	0	100,438	38,489	61,949
330.2	Pressure Tanks	0	0	0	0	0	0
331	Transmission and Distribution Mains	745,102	0	0	745,102	163,922	581,180
333	Services	0	0	0	0	0	0
334	Meters and Meter Installations	15,055	0	0	15,055	13,791	1,264
335	Hydrants	48,876	0	0	48,876	10,757	38,119
336	Backflow Prevention Devices	0	0	0	0	0	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0
340	Office Furniture and Equipment	1,850	0	0	1,850	1,355	495
340.1	Computer & Software	1,500	0	0	1,500	1,500	0
341	Transportation Equipment	0	0	0	0	0	0
342	Stores Equipment	0	0	0	0	0	0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0
344	Laboratory Equipment	0	0	0	0	0	0
345	Power Operated Equipment	0	0	0	0	0	0
346	Communication Equipment	0	0	0	0	0	0
347	Miscellaneous Equipment	0	0	0	0	0	0
348	Other Tangible Plant	12,889	0	0	12,889	7,993	4,896
	Totals	\$1,505,030	\$0	\$0	\$1,505,030	\$494,029	\$1,011,001

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Appaloosa Water Company
 Annual Report
 Depreciation Expense for the Current Year (Water)
 12/31/18

Depreciation Expense for the Current Year (Water)								
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Fully Depreciated/Non-depreciable Plant	Depreciation Percentages	Depreciation Expense
301	Organization	\$264	\$0	\$0	\$264	\$264	0.00%	\$0
302	Franchises	2,309	0	0	2,309	2,309	0.00%	0
303	Land and Land Rights	3,161	0	0	3,161	3,161	0.00%	0
304	Structures and Improvements	67,051	0	0	67,051	0	3.33%	2,233
305	Collecting & Improving Reservoirs	0	0	0	0	0	0.00%	0
306	Lake, River, Canal Intakes	0	0	0	0	0	0.00%	0
307	Wells and Springs	238,519	0	0	238,519	0	3.33%	7,943
308	Infiltration Galleries	0	0	0	0	0	0.00%	0
309	Supply Mains	0	0	0	0	0	0.00%	0
310	Power Generation Equipment	0	0	0	0	0	0.00%	0
311	Pumping Equipment	94,131	0	0	94,131	94,131	0.00%	0
320	Water Treatment Equipment	0	0	0	0	0	0.00%	0
320.1	Water Treatment Plants	148,250	0	0	148,250	0	3.33%	4,937
320.2	Solution Chemical Feeders	0	0	0	0	0	0.00%	0
320.3	Point-of-Use Treatment Devices	25,635	0	0	25,635	0	0.00%	0
330	Distribution Reservoirs and Standpipes	0	0	0	0	0	0.00%	0
330.1	Storage Tanks	100,438	0	0	100,438	0	2.22%	2,230
330.2	Pressure Tanks	0	0	0	0	0	0.00%	0
331	Transmission and Distribution Mains	745,102	0	0	745,102	0	2.00%	14,902
333	Services	0	0	0	0	0	0.00%	0
334	Meters and Meter Installations	15,055	0	0	15,055	0	8.33%	1,254
335	Hydrants	48,876	0	0	48,876	0	2.00%	978
336	Backflow Prevention Devices	0	0	0	0	0	0.00%	0
339	Other Plant and Misc. Equipment	0	0	0	0	0	0.00%	0
340	Office Furniture and Equipment	1,850	0	0	1,850	0	6.67%	123
340.1	Computer & Software	1,500	0	0	1,500	1,500	0.00%	0
341	Transportation Equipment	0	0	0	0	0	0.00%	0
342	Stores Equipment	0	0	0	0	0	0.00%	0
343	Tools, Shop and Garage Equipment	0	0	0	0	0	0.00%	0
344	Laboratory Equipment	0	0	0	0	0	0.00%	0
345	Power Operated Equipment	0	0	0	0	0	0.00%	0
346	Communication Equipment	0	0	0	0	0	0.00%	0
347	Miscellaneous Equipment	0	0	0	0	0	0.00%	0
348	Other Tangible Plant	12,889	0	0	12,889	0	2.00%	258
	Subtotal	\$1,505,030	\$0	\$0	\$1,505,030	\$101,365		\$34,857

Contribution(s) in Aid of Construction (Gross)	\$1,240,943
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	0
Amortizable Contribution(s)	\$1,240,943
Times: Proposed Amortization Rate	2.48%
Amortization of CIAC	\$30,816
Less: Amortization of CIAC	\$30,816
DEPRECIATION EXPENSE	\$4,041

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Appaloosa Water Company
 Annual Report
 Balance Sheet Assets
 12/31/18

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2018)	Balance at End of Year (2018)
Account No.	Current and Accrued Assets			
131	Cash		\$1,739	\$15,778
134	Working Funds		0	0
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		2,335	12,393
146	Notes Receivable from Associated Companies		82,944	0
151	Plant Material and Supplies		0	0
162	Prepayments		0	0
174	Miscellaneous Current and Accrued Assets		15,522	0
	Total Current and Accrued Assets		\$102,540	\$28,171
Account No.	Fixed Assets			
101	Utility Plant in Service*		\$1,505,030	\$1,505,030
103	Property Held for Future Use		60,000	60,000
105	Construction Work in Progress		0	0
108	Accumulated Depreciation (enter as negative)*		(494,029)	(494,029)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$1,071,001	\$1,071,001
	Total Assets		\$1,173,541	\$1,099,172

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

*Note these items feed automatically from AR3 UPIS Page 3

Appaloosa Water Company
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2018)	Balance at End of Year (2018)
Account No.	Current Liabilities			
231	Accounts Payable		\$1,329	\$845
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		0	7,000
235	Customer Deposits		6,400	6,400
236	Accrued Taxes		4,865	2,272
237	Accrued Interest		0	0
242	Miscellaneous Current and Accrued Liabilities		0	0
	Total Current Liabilities		\$12,594	\$16,517
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$136,985	\$127,304
	Deferred Credits			
251	Unamortized Premium on Debt		\$0	\$0
252	Advances in Aid of Construction		0	0
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		1,240,943	1,240,943
272	Less: Amortization of Contributions		441,990	(282,627)
281	Accumulated Deferred Income Tax		0	0
	Total Deferred Credits		\$1,682,933	\$958,316
	Total Liabilities		\$1,832,512	\$1,102,137
	Capital Accounts			
201	Common Stock Issued		\$2,000	\$2,000
211	Other Paid-In Capital		0	0
215	Retained Earnings		456,496	28,567
218	Proprietary Capital (Sole Props and Partnerships)		(1,117,467)	(33,532)
	Total Capital		(\$658,971)	(\$2,965)
	Total Liabilities and Capital		\$1,173,541	\$1,099,172

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Note: Total liabilities and Capital must match total assets for the beginning and end of the year!

Appaloosa Water Company
Annual Report
Water Comparative Income Statement
12/31/18

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2018 - 12/31/2018	Last Year 01/01/2017 - 12/31/2017
	Operating Revenue		
461	Metered Water Revenue	\$160,329	\$156,510
460	Unmetered Water Revenue	0	0
462	Fire Protection Revenue	0	0
469	Guaranteed Revenues (Surcharges)	0	0
471	Miscellaneous Service Revenues	2,152	287
474	Other Water Revenue	0	0
	Total Revenues	\$162,480	\$156,797
	Operating Expenses		
601	Salaries and Wages	\$82,347	\$128,919
604	Employee Pensions and Benefits	0	0
610	Purchased Water	0	0
615	Purchased Power	8,666	7,653
618	Chemicals	190	200
620	Materials and Supplies	0	0
620.1	Repairs and Maintenance	0	1,746
620.2	Office Supplies and Expense	2,731	1,809
630	Contractual Services	7,695	7,695
631	Contractual Services -Engineering	0	0
632	Contractual Services - Accounting	1,676	4,767
633	Contractual Services - Legal	0	3,390
634	Contractual Services - Management Fees	0	0
635	Contractual Services - Water Testing	1,670	1,350
636	Contractual Services - Other	7,652	8,222
640	Rents	0	0
641	Rental of Building/Real Property	7,200	7,200
642	Rental of Equipment	0	0
650	Transportation Expenses	0	0
657	Insurance - General Liability	7,001	5,258
657.1	Insurance - Health and Life	0	0
665	Regulatory Commission Expense - Rate	0	0
670	Bad Debt Expense	0	0
675	Miscellaneous Expense	1,100	1,533
403	Depreciation Expense (From Schedule AR4)	4,041	4,041
408	Taxes Other Than Income	0	0
408.11	Property Taxes	6,902	7,038
409	Income Taxes	0	0
427.1	Customer Security Deposit Interest	0	0
	Total Operating Expenses	\$138,871	\$190,821
	Operating Income / (Loss)	\$23,609	(\$34,024)
	Other Income / (Expense)		
419	Interest and Dividend Income	\$0	\$0
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	0	0
	Total Other Income / (Expense)	\$0	\$0
	Net Income / (Loss)	\$23,609	(\$34,024)

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Appaloosa Water Company
 Annual Report
 Supplemental Financial Data (Long-Term Debt)
 12/31/18

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	11/6/2007	NONE	NONE	NONE
Source of Loan	WIFA	0	0	0
ACC Decision No.	71236	0	0	0
Reason for Loan	Arsenic Equip.	0	0	0
Dollar Amt. Issued	\$200,000	\$0	\$0	\$0
Amount Outstanding	\$127,304	\$0	\$0	\$0
Date of Maturity	11/1/2029	NONE	NONE	NONE
Interest Rate	3.68%	0.00%	0.00%	0.00%
Current Year Interest	\$931	\$0	\$0	\$0
Current Year Principal	\$9,905	\$0	\$0	\$0

Meter Deposit Balance at Test Year End:	\$6,050
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Meter Deposits Refunded During the Test Year:	\$450
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List all bonds, notes, loans, and other types of indebtedness in which the proceeds were used in the provision of public utility service. Indebtedness incurred for personal uses by the owner of the utility should not be listed. Input 0 or none if there is nothing to report for that cell.

Well and Water Usage									
Name of the System:		Appaloosa Water Company							
ADEQ Public Water System Number:		AZ0413208							
ADWR PCC Number:		91-000680.0000							
Well registry 55# (55-XXXXXX):	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (inches)	Pump Motor Type **	Year Drilled	Meter Size (inches)	How measured:	Active
55-607204	7.5	125	660	16	Submersible	1999	6	Metered	Yes
55-607203	10	175	260	12	Submersible	2004	6	Metered	Yes
NONE	0	0	0	0	0	0	0	0	0
NONE	0	0	0	0	0	0	0	0	0
NONE	0	0	0	0	0	0	0	0	0
NONE	0	0	0	0	0	0	0	0	0
NONE	0	0	0	0	0	0	0	0	0
NONE	0	0	0	0	0	0	0	0	0
NONE	0	0	0	0	0	0	0	0	0
NONE	0	0	0	0	0	0	0	0	0
NONE	0	0	0	0	0	0	0	0	0
NONE	0	0	0	0	0	0	0	0	0
NONE	0	0	0	0	0	0	0	0	0
NONE	0	0	0	0	0	0	0	0	0
NONE	0	0	0	0	0	0	0	0	0
NONE	0	0	0	0	0	0	0	0	0
NONE	0	0	0	0	0	0	0	0	0
NONE	0	0	0	0	0	0	0	0	0
NONE	0	0	0	0	0	0	0	0	0
NONE	0	0	0	0	0	0	0	0	0
NONE	0	0	0	0	0	0	0	0	0
NONE	0	0	0	0	0	0	0	0	0

Name of system water delivered to: _____
 ADWR PCC Number: _____ 0
 Source of water delivered to another system: Other _____

Name of system water received from: _____
 ADWR PCC Number: _____
 Source of water received: Other _____
 Well registry 55# (55-XXXXXX): _____ 0

Month	Water withdrawn (acre ft) ¹	Water sold (acre ft) ²	Water delivered (sold) to other systems (acre ft) ³	Water received (purchased) from other systems (acre ft) ⁴	Estimated authorized use (acre ft) ⁵	Purchased Power Expense ⁶	Purchased Power (kWh) ⁷
January	3	3	0	0	0	\$504	3,248
February	3	3	0	0	0	518	3,247
March	3	3	0	0	0	451	2,766
April	6	6	0	0	0	650	4,502
May	7	7	0	0	0	806	5,782
June	9	9	0	0	0	1,096	7,980
July	7	7	0	0	0	1,101	7,957
August	8	8	0	0	0	742	5,681
September	10	10	0	0	0	831	6,273
October	4	4	0	0	0	854	5,915
November	4	4	0	0	0	638	4,558
December	3	3	0	0	0	638	3,133
Totals	66	66	0	0	0	\$8,829	61,042

If applicable, in the space below please provide a description for all un-metered water use along with amounts:
 N/A

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

1 Water withdrawn - Total acre feet of water withdrawn from pumped sources.
 2 Water sold - Total acre feet from customer meters, and other sales such as construction water.
 3 Water delivered (sold) to other systems - Total acre feet of water delivered to other systems.
 4 Water received (purchased) from other systems - Total acre feet of water purchased/received from other systems.
 5 Estimated authorized use - Total estimated acre feet from authorized metered or un-metered use. Authorized uses such as flushing (mains, services and hydrants) draining/cleaning tanks, process, construction, fire fighting, etc. Non-authorized use (real losses) are service line breaks and leaks, water main breaks, meter inaccuracies and theft.
 6 Enter the total purchased power costs for the power meters associated with this system.
 7 Enter the total purchased kWh used by the power meters associated with this system.

Water Utility Plant Description (Continued)

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:	Arsenic and 5000 Gallon Wash Tank
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STRUCTURES:	60x40 slum block wall plant w/ block surround wall and iron entrance gates. 38x48 65,000 gallon steel storage tank
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OTHER:	350 feet fire hoses, pip, wrenches and other misc. tools. Ladder. 290 degree blowoff extension, chlorination system
---------------	---

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report. Copy and paste this sheet as many times as is necessary.

Customer and Other Information	
Name of the System:	Appaloosa Water Company
ADEQ Public Water System Number:	AZ0413208
ADWR PCC Number:	91-000680.0000

Month	Number of Customers				
	Single-Family	Multi-Family	Commercial	Turf/Irrigation	Other Non-Residential
January	232	0	0	0	0
February	232	0	0	0	0
March	233	0	0	0	0
April	234	0	0	0	0
May	234	0	0	0	0
June	234	0	0	0	0
July	233	0	0	0	0
August	234	0	0	0	0
September	23	0	0	0	0
October	234	0	0	0	0
November	234	0	0	0	0
December	234	0	0	0	0

If the system has fire hydrants, what is the fire flow requirements? GPM for hrs.

Does the system have chlorination treatment?

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
 If yes, provide the GPCPD amount:

Is the Water Utility located in an ADWR Active Management Area (AMA)?
 If yes, which AMA?

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report. Copy and paste this sheet as many times as is necessary.

Property Taxes	
Amount of actual property taxes paid during Calendar Year 2018 was	\$6,902

If no property taxes paid, explain why.

na

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Appaloosa Water Company
Annual Report
Verification and Sworn Statement (Taxes)
12/31/18

RECEIVED
UTILITIES DIVISION
2019 MAR 29 A 11:10
MARICOPA COUNTY
COMMISSION

Verification and Sworn Statement (Taxes)

Verification: State of Arizona I, the undersigned of the
(state name)

County of (county name): Yavapai
Name (owner or official) title: Joe Cordovana
Company name: Appaloosa Water Company

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

FOR THE YEAR ENDING: 12/31/18

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Sworn Statement: I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

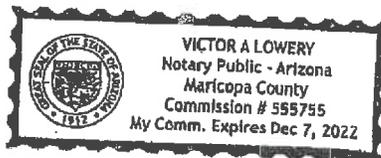
Joe Cordovana
signature of owner/official

928-237-6128
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY

THIS 25th DAY OF Maricopa
March 2019
(month) and (year)

MY COMMISSION EXPIRES 12-7-2022
(date)



Victor A Lowery
(signature of notary public)

RECEIVED

APR 11 2019

ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

Appaloosa Water Company
Annual Report
Verification and Sworn Statement
12/31/18

Verification and Sworn Statement

Verification:

State of Arizona, the undersigned of the
(state name)

County of (county name): Yavapai

Name (owner or official) title: Joe Cordovana

Company name: Appaloosa Water Company

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

FOR THE YEAR ENDING: 12/31/18

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Sworn Statement: IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)
\$160,329
(The amount in the box above includes
\$15,038 in sales taxes
billed or collected)

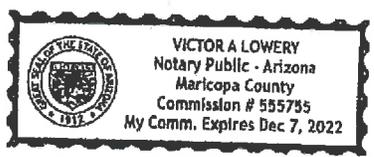
Joe Cordovana
signature of owner/official

928-237-6128
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY

THIS 25th DAY OF March 2019
(month) and (year)

MY COMMISSION EXPIRES 12-7-2022
(date)



Victor A Lowery
(signature of notary public)

Appaloosa Water Company
Annual Report
Verification and Sworn Statement (Residential Revenue)
12/31/18

RECEIVED
APR 11 2019
ARIZONA CORP COMMISSION
UTILITIES DIVISION - DIRECTOR'S OFFICE

Verification and Sworn Statement (Residential Revenue)

Verification:

State of Arizona, the undersigned of the
(state name)

County of (county name): Yavapai
Name (owner or official) title: Joe Cordovana
Company name: Appaloosa Water Company

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

FOR THE YEAR ENDING: 12/31/18

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Sworn Statement: IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$160,329

(The amount in the box above includes

\$15,038 in sales taxes
billed or collected)

Joe Cordovana
signature of owner/official

928-237-6128

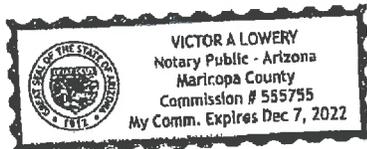
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY

Maricopa
(county name)

THIS 25th DAY OF March 2019
(month) and (year)

MY COMMISSION EXPIRES 12-7-2022
(date)



Victor A. Lowery
(signature of notary public)